

Dated: March 18, 2020



Scott H. Gan, Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In re:

PEORIA REGIONAL MEDICAL
CENTER, LLC,

Debtor.

Address: 8020 E. Palm Ln.
Mesa, AZ 85207

Taxpayer ID No(s): xx-xxx0458

Chapter 11 Proceedings

Case No. 2:17-bk-11742-SHG

**STIPULATED ORDER GRANTING
MOTION TO APPROVE PROPOSED
PURCHASE AND SALE AGREEMENT
WITH MODIFICATIONS AND
AUTHORIZING SALE OF DEBTOR'S
REAL PROPERTY FREE AND CLEAR
OF LIENS, CLAIMS AND INTERESTS**

(Relates to Docket No. 246)

This matter is before the Court to authorize the sale of real property and improvements owned by Peoria Regional Medical Center, LLC's (the "Debtor") pursuant to the terms of the *Motion to Approve Purchase Contract, Bidding Procedures, and to Authorize the Sale of Real Property Free and Clear of Liens, Claims, and Interests* (the "Motion") (DE #246). The real property located at 26320 N. Lake Pleasant Pkwy., Peoria, Maricopa County, AZ 85345 (APN 201-30-215) (the "Real Property")

On or about January 23, 2020, the Debtor executed, subject to the Court's approval that certain Purchase and Sale Agreement (the "PSA") dated January 23, 2020 (Exhibit A). The Debtor filed a Motion to Approve the PSA and to approve the sale of the Property on January 27, 2020 (the "Motion") (DE #245, 246). The Court conducted a hearing on the

1 Motion on March 5, 2020. At the March 5 hearing, the Debtor agreed, with the prospective
2 purchaser's consent, to (A) strike Section 11(d) and Section 15, the right of first offer in the
3 Debtor, in their entirety and (B) to add language acceptable to the City of Peoria requiring the
4 buyer to demolish the structure and concrete pad on the property and to begin the demolition
5 process within 30 days of the conclusion of the feasibility period. There were no objections
6 to the proposed sale after the modifications to the PSA found in this Order as stipulated by
7 Debtor and City of Peoria.
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10 Based upon the preceding, **IT IS ORDERED** as follows:

11 1. The Motion is granted and the sale of the Real Property is approved on the terms
12 and conditions set forth in the terms set forth in the attached as Exhibit A except as modified
13 by this Order
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15 2. To provide assurance to Peoria that prompt action will be taken to protect the
16 health and safety of Peoria's citizens, the steel structure and concrete foundation shall be
17 demolished and removed.

18 3. The Buyer and Seller and the Court agrees that the auction and bidding
19 procedures provided in the Motion are no longer required, including any requirements
20 provided in the Purchase and Sale Agreement (PSA).
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22 4. The Feasibility Period shall begin on the date this order is signed.

23 5. Section 11(d) of the PSA, attached Exhibit A, is deleted in its entirety.

24 6. Section 15 of the PSA, attached Exhibit A, is deleted in its entirety and replaced
25 with the following, new Section 15.
26

27 15. Demolition. Buyer represents and warrants that it will, within 30
28 days of completion of the feasibility period, arrange for architects,
engineers and/or contractors to begin all necessary preparations for

1 demolition of the metal structure and removal of the concrete foundation
2 located on the Property and, thereafter, proceed to demolish and remove
3 the metal structure and concrete foundation. Buyer represents and
4 warrants that it will, within 60 days of completion of the feasibility
5 period, begin on-site demolition of the metal structure and removal of
6 the concrete foundation. Buyer represents and warrants that demolition
7 will be completed within 120 days of completion of the feasibility period,
8 at the sole cost of the Buyer. For purposes of this section, completion
9 shall mean demolition of the structure and foundation, and removal of
10 all debris from the Property. Buyer agrees that the City of Peoria is an
11 intended third party beneficiary of this Section 15. The Buyer and Seller
12 represent and warrant their understanding of the PSA giving authority to
13 Buyer to enter the Property and fulfill the requirements of this section.
14 Buyer shall provide the initial report and/or plan for demolition, and
15 timely updates and other relevant information to the City of Peoria about
16 the status of the demolition on an ongoing basis until completion.

17 Debtor and Buyer represent and warrant their understanding and
18 agreement that in the event this PSA (i) is terminated by either the Buyer
19 or Seller any reason, (ii) there is an untimely or uncured default by either
20 the Buyer or Seller, (iii) does not make it past the feasibility period, (iv)
21 the sale fails to close for any reason, (v) or closing is extended more than
22 30 days past the current date found in the PSA, the City of Peoria has
23 the right to enter the Property and demolish the structure and foundation
24 in a manner that protects the public health and welfare, without any
25 further notice to the Court, the Debtor, or the Buyer, and without any
26 order from the Court. Buyer and Debtor represent and warrant their
27 understanding and agreement that in the event the City of Peoria
28 demolishes the structure under the circumstances described in this
paragraph, that the City of Peoria will place a lien on the property for the
cost of the demolition, in a manner pursuant to state law.

21 7. The Debtor is authorized to close with the Buyer, or its nominee, pursuant to
22 the terms of the PSA, as modified herein.

23 8. The Buyer is a "good-faith" purchaser and is entitled to all of the protections
24 provided to a good-faith purchaser under §363(m) of the Bankruptcy Code.

25 9. The Debtor shall execute any and all necessary or appropriate documents to
26 consummate the sale and effectuate the terms of this Order, including material and non-
27 material modifications to the sale, provided that any such documents are consistent with the
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1 PSA and this Order and does not have a material adverse effect on the Debtor's estate or any
2 affected parties, including, without limitation, Fastest Lap, LLC and the City of Peoria.

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4 10. Nothing in this Order shall be deemed consent by any party to any other
5 surcharge other than those disbursements reflected herein, under Bankruptcy Code §506 or
6 otherwise for any amount or for any reason.

7 **DATED AND SIGNED ABOVE.**
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